

Motor Vehicle Division Informational Memo # 18-12
2018 Legislation – Motor Vehicle Dealer’s Books and Records

DATE: June 12, 2018

FROM: Sara Siedsma, Compliance Officer, MVD

TO: All Office of Vehicle & Motor Carrier Services (OV&MCS) staff, Bureau of Investigation & Identity Protection staff, Iowa County Treasurers and County Treasurers’ staff.

SUBJECT

This informational memo explains legislation enacted during the 2018 legislative session regarding motor vehicle dealer’s books and records requirements.

SUMMARY

Senate File 2293 amended Iowa Code section 321.63 to allow a dealer to keep its books and business records at a location other than its licensed location. The bill also extended the effective date of the electronic registration and titling (ERT) requirement from July 1, 2018 to July 1, 2019. **The legislation is effective July 1, 2018.**

LINK TO LEGISLATION

2018 Iowa Acts, Senate File 2293:

<https://www.legis.iowa.gov/docs/publications/LGE/87/SF2293.pdf>

CURRENT

Under current law, a dealer is required to keep its business records at its licensed location so that they may be inspected by law enforcement and the department. Also, the ERT requirements were set to take effect July 1, 2018.

NEW

The new legislation provides that a dealer may keep its books and business records at a location other than its licensed location, but it must notify the department of the location where the books and records are kept. The new legislation also extended the effective date for ERT until July 1, 2019.

BUSINESS IMPACT

While this legislation allows a dealer’s books and business records to be kept at a location that is not the dealer’s licensed location, the dealer must notify the department where the records are kept. With the notification requirement, we do not foresee a major impact on our ability to perform our duties related to inspecting and auditing dealers. Regarding ERT, we do not oppose extending the effective date and understand this will allow continued flexibility as we move forward with implementation.

HELPFUL QUESTIONS AND ANSWERS

The following questions and answers provide additional information that will be helpful to you and to customers.

WILL A DEALER HAVE TO FILL OUT A SPECIFIC FORM IN ORDER TO REPORT THE LOCATION OF ITS BOOKS AND RECORDS?

At this time, we plan to allow dealers to just provide a written notification letting us know where the dealer's books and records are kept, and are not planning to require this to be reported on a specific form.

HOW WILL WE KEEP TRACK OF THE LOCATION THE DEALER'S BOOKS AND RECORDS?

We plan to update the dealer snapshot to capture this data, but in the meantime, this information will be available in the ERMS file.